Supreme Court ruling on levy sugar pricing

2502. SHRI TARIQ ANWAR:

DR. T. SUBBARAMI REDDY:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether following Supreme Court ruling on levy sugar pricing, Government has decided to fork out over Rs. 2,300 crores to mill-owners on account of depressed payments for current sugar year (October 2008 to September, 2009);

(b) whether levied sugar is currently 10 per cent of total output which Government takes away from mills for supplying to the PDS;

(c) whether as per Government's sugarcane control order, levy sugar pricing would be based on the statutory minimum price; and

(d) if so, to what extent sugar mills have agreed to this?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) No, Sir. No such decision has been taken by the Central Government.

(b) No, Sir. The levy obligation on sugar factories has been increased from 10% to 20% for 2009-10 sugar season. Hence, the current levy obligation on sugar factories is 20%.

(c) The Central Government has issued an Ordinance under the title 'The Essential Commodities (Amendment and Validation) Ordinance, 2009' (No.9 of 2009) on 21.10.2009 to amend the Essential Commodities Act, 1955 and to make provisions for validation of certain orders issued by the Central Government determining the price of levy sugar and actions taken under those orders and for matters connected therewith. The said Ordinance provides for determination of levy sugar prices up to 2008-09 sugar season by taking into account Statutory Minimum Price of sugarcane. The Ordinance also provides that for sugar season 2009-10 which has started on 1.10.2009 and in future, levy sugar price will be determined taking into account, *inter-alia*, the 'Fair and Remunerative Price' of sugarcane. Further, the Central Government has introduced a Bill on 4.12.2009 in the Lok Sabha under the title 'The Essential Commodities (Amendment and Validation) Bill, 2009' to replace the said Ordinance by an Act of Parliament.

(d) The levy sugar price is fixed as per statutory provisions of the Essential Commodities Act. 1955. As such, there is no question of sugar mills having to agree to the Statutory Provisions of the Act.

Lethargic handling of foodgrains movement by FCI

2503. SHRI N.K. SINGH:

SHRIMATI SHOBHANA BHARTIA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state: